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deposits. If the client wishes to use his excess margin buying power for overdraft protection, the broker/dealer transmits the client's available margin line to the administrator regularly (preferably daily). The available margin line will be taken into consideration when checks, debit card, and other draft and order to pay transactions (e.g., ACH debits, on-line banking withdrawals, and other electronic payments) are processed. If the client's margin line is used to process a check or debit card transaction, a loan will be created and transmitted to the broker dealer by the administrator. Preferably, the broker dealer maintains the margin loan on his system and will pay the administrator for all funds advanced. Using this methodology for margin accounts, there is no effect on the deposit account at the bank.

The bank pays interest 149 on the single deposit account to the administrator. Based on the amount of each client's funds in the deposit account as a function of the total amount in the deposit account, the administrator determines the interest amount (if any) each client is owed (based also on the period during which the interest was determined on a particular account balance). Because all of the clients' funds are in a single account under the name of the administrator, the administrator earns the interest and distributes the interest earned to each of the clients. Further, the limitation on transfers from a interest-bearing account is inapplicable to the clients because their funds are held by the administrator in a demand account and interest for the client is determined only on that portion of those funds maintained in the bank's deposit account. Preferably, if necessary, the administrator makes any withdrawals from the deposit account in person.

After the deposit account has been credited or debited in accordance with the determination for that period of the sum of the deposits and withdrawals from clients, and the interest earned on the single deposit account, this information is transferred back to the administrator's deposits database 151. This database includes information about each client (such as name, address, and other important or desired demographic and tax information about each client's account), as well as financial information regarding the client's holdings on deposit in the bank (i.e., that client's portion of the single deposit account) and holdings with the administrator (e.g., securities and the like).

As seen, the administrator maintains several relationships that provide services for the insured money market accounts. These various entities provide transaction data that is transmitted to the administrator and processed. Preferably, the administrator is its own transfer agent and provides a shareholder accounting system. Preferably, accounts may be opened through a broker dealer that is a client of the administrator, or directly with an application and check.

The administrator may allow a client with an account under the present system to access his funds by check or with a debit card; in such a case, the administrator has arranged for these services and maintains these relationships which are separate and apart from the deposit account. Banks that provide check and card services will transmit a file each day to the administrator that contains the checks presented for payment and/or the debit card transactions. The transactions that apply to his account under the present system are out sorted and processed against the administrator's database. The administrator will settle with each bank for the transactions that were processed.

The administrator may accept direct deposit of payroll, social security, or pensions for accounts. The clients' accounts are updated as these files are received and processed. The administrator may also accept ACH debit

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transactions, which are initiated by the client's bank or a third party at the client's request.

The administrator may also provide the participants with automated bill paying services. Participants preferably provided with a touchtone bill paying system and/or an internet on line banking service. Bill payment requests may be downloaded each morning for processing.

The foregoing description is meant to be illustrative and not limiting. Various changes, modifications, and additions may become apparent to the skilled artisan upon a perusal of this specification, and such are meant to be within the scope and spirit of the invention as defined by the claims.

What is claimed is:

1. A method for managing a plurality of demand accounts for multiple clients whose funds are held at a banking institution in a single insured money market deposit account, comprising:

- providing a database having client information for each account;
- administering clients' deposits to and withdrawals from each of their demand accounts;
- authorizing or rejecting the use of funds in a particular client's demand account for each demand payment requested from that client's account;
- determining the net transaction aggregated across all said demand account deposits and withdrawals on a regular periodic basis;
- using the determination of the net transaction to deposit funds to or withdraw funds from said single insured money market deposit account;
- distributing interest paid on said single money market deposit account to said clients' demand accounts; and
- updating the database for each client's deposit and authorized demand payment.

2. The method of claim 1, wherein withdrawals are made by at least one method selected from the group consisting of drafts (checks), credit card, debit card, sweeps, electronic transfer, and combinations thereof.

3. The method of claim 1, wherein deposits are made by at least one method selected from the group consisting of drafts (checks), sweeps, electronic transfers, and combinations thereof.

4. A system for managing a plurality of demand accounts for multiple clients whose funds are held at a banking institution in a single insured money market deposit account, comprising:

- a database having client information for each demand account;
- a device for administering clients' deposits to and withdrawals from each of their demand accounts;
- a device for authorizing or rejecting the use of funds in a particular client's demand account to be used for each demand payment requested to be paid drawn on funds from that client's demand account;
- a device for determining the net transaction aggregated across all said demand account deposits and withdrawals on a regular periodic basis;
- a comparison device for determining from the net transaction whether to deposit funds to or withdraw funds from said single insured money market deposit account;
- a device for distributing interest earned on said money market deposit account among the clients; and
- a device for updating the database for each client's deposits and authorized demand payments.

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5. The system of claim 4, wherein withdrawals are in the form of at least one type selected from the group consisting of drafts (checks), credit card, debit card, sweeps, electronic transfers, and combinations thereof.

6. The system of claim 1, wherein deposits are in the form of at least one type selected from the group consisting of drafts (checks), sweeps, electronic transfers, and combinations thereof.

7. A data processing system for implementing and managing plural client transaction accounts providing a return to each of said clients, by aggregating the assets associated with said client transaction accounts for deposit in a corresponding insured deposit account and providing a return on assets held therein, said system comprising:

- a. transaction input processor for receiving transactions, including deposits and/or withdrawals to one or more of said plural client accounts;
- b. account computation processor responsive to said transactions and capable of calculating a corresponding balance for each said client transaction account, including determining and crediting said transaction account with a return associated with said balance of each said client accounts;
- c. memory module storing data on said plural client accounts, wherein account balances are periodically updated to include said corresponding return to each of said client accounts; and
- d. said computation processor assessing the aggregate activity of said plural client transaction accounts for a respective period, and calculating an asset adjustment to said insured deposit account, to permit adjustment of the amount in said insured deposit account by a method consistent with maintaining the insured and interest bearing status of said insured deposit account.

8. The system of claim 7, wherein said transaction input processor accesses a client account by one or more transaction methods selected from the group consisting of check, withdrawal, credit card, electronic fund transfer, debit card, sweep, internet communication, voice activation, and banking by telephone.

9. The system of claim 8, wherein said transaction input processor accesses said account by three or more of said methods.

10. The system of claim 8, wherein said transaction input processor accesses said account by five or more of said methods.

11. The system of claim 7, wherein said computational processor responds to withdrawal transactions for a client's account by assessing fund availability and based, in whole or in part, thereon approving or denying said withdrawal transaction.

12. The system of claim 11, wherein said computational processor applies margin requirements to said client's account in assessing a withdrawal transaction therefrom.

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13. The system of claim 7, wherein the return for the insured deposit account is used to determine the returns for the plural client accounts.

14. The system of claim 8, wherein transactions further include automated bill paying.

15. The system of claim 7, wherein periodic deposits to a client's account include one or more of the following: direct automated payroll; direct social security; automated sweep from another of that client's accounts; electronic funds transfer; and manual check deposit.

16. A data processing method for tracking and managing a plurality of client transaction accounts and providing a return to each of said accounts, the funds associated with said accounts aggregated for deposit in a corresponding insured deposit account providing a return on assets held therein, comprising the steps of:

- a. creating one or more account memory ledgers and storing therein select data for one or more of said plurality of client transaction accounts;
- b. storing in said memory ledgers account data including a current or periodic account balance as well as an identification of an account owner or beneficiary;
- c. tracking deposits to and withdrawals from each of said client transaction accounts and adjusting the balance for each in response to such transactions;
- d. creating an insured deposit account in which funds from a plurality of said client transaction accounts are deposited, and managing said insured deposit account by assessing the aggregate activity of said plural client transaction accounts for a respective period and calculating an asset adjustment to said insured deposit account to permit adjustment of the amount in said insured deposit account by a method consistent with maintaining the insured and return bearing status of said insured deposit account; and
- e. calculating an aggregate transactional value for said client accounts having funds held in said insured deposit account over a selected period of time and determining a net asset adjustment for said insured account, to be implemented in a manner consistent with retaining its status as insured and providing a return on the assets.

17. The method of claim 16, wherein said transactions into or out of a client's transaction account include sweeps into or sweeps out of said account.

18. The method of claim 16, further comprising calculating a corresponding return for each client transaction account having funds maintained in said insured account based on the return on the assets held in the insured deposit account.

19. The method of claim 18, wherein withdrawal transactions resulting in a negative net balance for a client's account trigger a margin approval process for such account.

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